



## ROLEX RINGS LIMITED

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Ref. RolexRings/Reg30/AnalystMeeting/Q4FY26/2

May 21, 2026

To,  
Corporate Relationship Department,  
BSE Limited,  
Phiroze Jeejeebhoy Towers, Dalal Street,  
Mumbai-400001

To  
National Stock Exchange of India Limited  
Exchange Plaza, C-1, Block G  
Bandra Kurla Complex  
Bandra (E), Mumbai - 400 051

**Script Code: 543325**

**Script Symbol: ROLEXRINGS**

**Sub: Intimation pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 - Transcript of Earnings Call**

Dear Sir/Madam,

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith Transcript of the discussion on the Audited Financial Results of the Company for the quarter and year ended March 31, 2026, at the Analyst Meet held on Monday 18<sup>th</sup> May, 2026 and also the same is available on the website of the company at [www.rolexrings.com](http://www.rolexrings.com)

Please take the same on your records

Thanking You,

Yours faithfully  
**For Rolex Rings Limited**

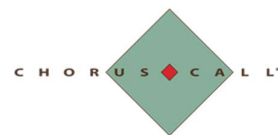
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**Hardik Dhimantbhai Gandhi**  
Company Secretary and Compliance Officer  
{Membership No. A39931}



“Rolex Rings Limited  
Q4 FY26 Earnings Conference Call”

May 18, 2026



**MANAGEMENT: MR. MANESH MADEKA – CHAIRMAN AND MANAGING  
DIRECTOR – ROLEX RINGS LIMITED  
MR. HIREN DOSHI – CHIEF FINANCIAL OFFICER –  
ROLEX RINGS LIMITED  
SGA, INVESTOR RELATIONS ADVISORS – ROLEX  
RINGS LIMITED**

**Moderator:** Ladies and gentlemen, good morning, and welcome to the Rolex Rings Limited Q4 FY26 Earnings Conference Call. Before we begin, a brief disclaimer. This conference call may contain forward-looking statements about the company, which are based on the beliefs, opinions, and expectation of the company as on date of this call. These statements are not the guarantee of future performance of the company, and it may involve risks and uncertainties that are difficult to predict.

As a reminder, all participant lines will remain in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal the operator by pressing star then zero on your touch-tone telephone. Please note that this conference is being recorded.

I will now hand the conference over to Mr. Hiren Doshi, Chief Financial Officer of Rolex Rings Limited for opening remarks. Thank you, and over to you, sir.

**Hiren Doshi:** Thank you. Good morning, and warm welcome to everyone present on the call. Along with me, I have Mr. Manesh Madeka, Chairman and Managing Director of Rolex Rings Limited; and SGA, our Investor Relations Advisors.

I hope you have all received our investor deck by now. For those who have not, you can view them on the stock exchange and the company website. Fiscal year '26 has been a year that has tested our resilience challenges in numerous ways and ultimately, reinforced our conviction in the long-term opportunity that lied ahead for Rolex Rings Limited.

We navigated one of the most complex external environments in the recent memory, held our business together with discipline, and came out the other side of -- with our fundamentals intact, our relationships with strengthened, and our future looking genuinely exciting.

Before I speak about fiscal '26, I want to take a moment to reflect on the bigger picture that we, Rolex Rings, were admitted to Corporate Debt Restructuring that is CDR in 2013, a period that tested every part of this organization, but we stayed the course, focused on building a better business, and by 2022, we had fully exited CDR by clearing all dues to our lenders. That was a defining moment for this company.

In March 2026, precisely on 31<sup>st</sup> of March 2026, Rolex Rings has honored its Right of Recompense obligation in full, making total payment of INR101 crores to our consortium lenders. Every commitment made to every lender has now been met. The slate is completely clean. This is a statement of character; this company made a promise and it kept it.

And with the RoR now fully settled, we entered the next phase of our journey with no legacy obligations, no covenants, no restrictions. We are entirely free to focus on what matters most, that is building a great business and rewarding the shareholders who believed in us.

In April 2026, our Board approved a buyback of 1 crores shares at INR180 per share, aggregating to INR180 crores. The promoters /promoters group has chosen not to participate, ensuring that full benefit of this buyback flows directly to all public shareholders.

Coming to operating fiscal FY26. FY26 was not without its challenges. The sharp escalation of U.S. import tariffs, which peaked at over 50% on our auto components, created significant headwinds in our export business, particularly in the commercial vehicle and heavy commercial vehicle segment that makes up the core of our U.S. exposure.

At the peak of the tariff uncertainty, a major customer temporarily shut down the relevant plant entirely when duties, import tariffs moved from 3% to 53%. Our supply to that program went to almost zero. On an annualized basis, our U.S. exports were approximately 30% lower than what we had in fiscal '25.

And yet, I am pleased to report that despite this disruption, we held our ground. We maintained our momentum. Full year revenue from operations came in at INR1,144 crores broadly, in line with last year revenues. We more than compensated for the U.S. shortfall through strong growth in Europe and a robust domestic performance. That ability to pivot, diversify, and recover in real-time is what makes this business resilient.

Revenue from Europe grew by almost 25% during the year compared to previous fiscal. And out of that, 60% of our new business nominations came from European customers only. This is a strong and direct endorsement of our product quality, delivery track record, and engineering capabilities. The relationships we have built over decades with global bearing and automotive Tier 1 companies are paying off in a very tangible way.

India continued to perform well. Domestic revenue grew by 50% year-on-year, with both bearing rings and auto components contributing meaningfully. Our domestic business has grown steadily over the last few years and we are now seeing a broader set of Indian OEMs and industrial customers recognizing the quality and competitiveness of our products.

Though we face challenges in the U.S., I want to be clear, we have not lost a single U.S. customer. These are long-standing relationships with leading global customer base and the programs are intact. The disruption was tariff-driven and temporary. With duties now normalizing, we expect U.S. order flows to resume meaningfully from Q1 of current fiscal, that is FY 2027.

Coming to the operating numbers, operating margins, our gross margin expanded meaningfully from 49.4% to 51.5% in fiscal 2026, reflecting the positive shift in product mix towards higher-value machine auto components and a better raw material management. The quality of our revenue is improving, and that is a trend I expect to continue in coming years.

Even as the U.S. import tariffs created revenue headwinds, we held EBITDA margins above 20%, a testament to the underlying quality of our business, the strength of our customer relationships, and our ability to adapt quickly to changing market conditions.

Auto components now contributing almost 50% plus revenues and going ahead, we continue to maintain it at 50%. This shift in business mix will be a driver of margin expansion going forward.

I want to draw your attention to two specific items that together explain the substantial increase in my other expense breakup in Q4 FY2026, which are not indicative of any structural cost increase in the business. Both these expenditures are a kind of one-time expenditure.

The company has spent almost INR22 crores by way of payment of customs duties at U.S. Out of that -- almost 50% of that are yet to be receivable from the customers. On a prudent way, on a conservative way, we have recognized entire expenditure in this quarter, but the revenue is yet to be recorded in the top line, which would be there in the first and second quarter.

Apart from that, we incurred approximately INR6 crores, which is INR60 million in legal and professional expenses directly related to the closure of our write-off recompense settlement with consortium lenders. This is again a one-time charge that will not recur.

So, both these things have made some abnormality on the face of my operating numbers as far as other expenses are concerned. Our business generated INR190 crores in our operating cash flow and spent hardly INR36 crores on capex, leaving substantial free cash for the company to deploy.

Looking ahead to fiscal 2027, one of the most exciting developments of fiscal 2026 was the adding new plants of our existing customers based at various locations. With few of the European customers, we have not present in their U.S. and Mexico-based plant, which we got the program -- which we got the orders in the previous fiscal. These programs are on track to ramp up meaningfully from Q1FY27 onwards. As we step into fiscal 2027, the business environment feels more favorable than a year ago.

First, the U.S. is coming back. Tariffs have normalized and customers who were in a wait-and-watch mode through fiscal 2026 are now reengaging. We expect U.S. orders to recover from Q1FY27. The 30% revenue decline we experienced in the U.S. through FY 2026 is entirely recoverable and the pace of recovery will depend on how quickly our customers rebuild their inventory pipelines and production schedules.

Second, Europe continues to fire. The growth momentum what we built in fiscal2026 is continuing into fiscal 2027 and more than 60% of our new program, what we awarded from the customers, are from European customers only. We have genuine structural tailwinds in Europe, a combination of China+1 sourcing strategies, our qualification track record, and the long-term relationships we have cultivated with global Tier 1 companies.

Third, our domestic business has strong legs. India's automotive and industrial markets continue to grow. We are also beginning to see early contributions from EV and industrial programs, segments that we believe will become increasingly meaningful over the next two to three years.

Rolex Rings has come a long way from CDR to debt-free, from financial stress to surplus cash, from a single geography dependence to a truly diversified global customer base, from a pure forging company to vertically-integrated precision machine components manufacturer, every step of this journey has been earned in last couple of decades.

Fiscal 2026 was a year that reminded us that no business is immune to external disruption, but it also reminded us that a business built on the strong fundamentals, deep customer relationships, operational discipline, and a capable team can weather -- can face any storm. As I look ahead to fiscal 2027 and beyond, I see Rolex Rings as a company that is well-capitalized, well-positioned, and well-prepared for the next phase of growth.

Our ambition remains unchanged to be the most trusted precision forging partner for the world's leading bearing and automotive OEMs. We are well on our way. With this, I would like to thank all the participants who have joined and now I request we can have -- we can now open the floor for Q&A session.

**Moderator:** Thank you. Ladies and gentlemen, we will now begin the question-and-answer session. We take the first question from the line of Mihir Vora from Equirus Securities. Please go ahead.

**Mihir Vora:** Yes, hi. Thank you for taking my question. So, sir, my question basically is on the current situation where we are seeing these geopolitical issues. So, are we seeing any sort of order delays from the customers' freight cost increases? And what kind of issues are we facing currently? Or is sort of the situation still in control?

**Hiren Doshi:** Yes, Mihir, as you said rightly, the freights are a bit increasing. But the positive side is that we didn't have any indication of deferring or delaying the orders as of now. For the last couple of months, that is from March 2026 onwards, our customers are -- came back on the track, and they are rather giving us forecasting or dispatch schedules as per their original program. We do not expect much of the disturbances from now, subject to these geopolitical reasons, if further it will not obstruct.

**Mihir Vora:** But just so in terms of container availability, is it an issue? Or is it not an issue as of now, like how are we seeing things like that?

**Hiren Doshi:** Yes it is. Partially, it is, but somehow we are trying to manage -- we are trying to get the containers maybe by giving some premium on that just to meet the customer production schedule and ordering their dispatch schedules, we are trying to managing. But there is a delay of maybe two to three weeks on availability of container and maybe a bit of extended transit days also. But we try to manage our inventory at warehouse and consignment stock. But that's true that we are getting some difficulty in containers. We expect that to be resolved maybe in coming days.

**Mihir Vora:** Okay. And just a follow-up on this, sir. Like -- see, there are cost inflation in terms of freight and commodities. So, what is our normal pass-through period for us in terms of overseas customers? Is it a quarter lag or a two-quarter lag?

- Hiren Doshi:** With the majority of our overseas customers, we have a quarterly pass-on for the raw material cost. Maybe with a couple of customers, it's on a half yearly base kind of thing.
- Mihir Vora:** Okay. Okay. Okay. So, sir, my second question is just something bookkeeping. Can you give me the segment-wise number, which you regularly give on the call, that is domestic bearings, export bearings, etcetera?
- Hiren Doshi:** Yes. For the fiscal 2026, I'm telling you, domestic bearing rings is INR386 crores, I'm rounding off to crores; domestic auto components, it is INR170 crores; export bearing rings, it is INR154 crores; and export auto components, it is INR350 crores. All put together, it's almost INR1,060 crores. It's only components. Scrap revenue, INR71 crores; export incentives is INR13 crores. Gross revenue is INR1,143 crores.
- Mihir Vora:** Okay. Got it. Got it. Okay, I'll fall back in the queue. Thank you.
- Moderator:** Thank you. We take the next question from the line of Anubhav Mukherjee from Prescient Capital. Please go ahead.
- Anubhav Mukherjee:** Sir, thanks for the opportunity. Sir, what would be the tariff that -- U.S. tariff that we are currently, like, facing for bearing rings and auto components?
- Hiren Doshi:** See, as of now, our product falls under 232 Section, and it comes under a duty tariff of 25% at U.S.
- Anubhav Mukherjee:** And both the products like -- both bearings rings and auto components?
- Hiren Doshi:** Certain kind of industrial bearings depends on their tariff HSN classification, which are there under 18%, but the majority of them are in 25%. And auto components, it is 100% under 25 percentage.
- Anubhav Mukherjee:** And sir, will it be possible to share the split of exports by geographies like U.S., Europe?
- Hiren Doshi:** You want precise in the numbers or the percentage of revenue?
- Anubhav Mukherjee:** Either would be fine.
- Hiren Doshi:** Okay. Let me tell you, off my total revenue, U.S. is somewhere about shutting to 23%, whereas Europe, again, it is almost 22%. Mexico, Canada and some others, all put together a couple of percentage and remaining 54% is bearing domestic.
- Anubhav Mukherjee:** Sir, thanks for sharing that. And sir, I have a basic question. In your investor presentation, it was mentioned that the domestic bearing ring market is somewhere around INR2,200 crores as far as I remember. So, -- like will it be possible to share what kind of market share do we have in that?

- Hiren Doshi:** See, the -- what we have shared or rather what we have stated in the presentation, that is overall bearing rings business, which is consisting of quite a wider range. And in our addressable segment, say, from a 20 mm in a diameter to 900 mm outer diameter product range. And again, particularly from the hot forging route, what we envisaging or rather we expect that overall market is somewhere about INR1,600 crores to INR1,800 crores domestic market, wherein we do have a share of almost 30% of that business.
- Anubhav Mukherjee:** Yes. And sir, this is entirely catered by domestic manufacturers? Or is there any import component as well?
- Hiren Doshi:** Partially, it is there. Still there are certain import constituents are there, certain kind of non-availability of higher range of the products that those are still under import. But let me tell you, those components have significantly reduced compared to what we had before two years back. So, there is a potential to producing -- or rather the import substitute or Indian manufacturers are getting better chance to produce those components also.
- Anubhav Mukherjee:** Great. And sir, final question from my side is like what portion of our revenue is like actually fully machined and forged like components?
- Hiren Doshi:** Almost 85% of my revenue, it is machined components revenue and 15% of my component revenue is from only through forged products -- only forging process.
- Anubhav Mukherjee:** Great. And sir, what will be our current utilization across both forging and machine?
- Hiren Doshi:** My utilization is almost same what we had, as you have seen that my top line is almost at same -- this thing. So, we are in the range of 62% to 63% of utilization of my available or achievable capacity.
- Anubhav Mukherjee:** Great sir. Thanks I'll get back in the queue.
- Moderator:** Thank you. We take the next question from the line of Saurabh Jain from Sunidhi Securities. Please go ahead.
- Saurabh Jain:** Hello. Yes, good morning sir. I have a couple of questions. One is on gross margin. This quarter, we saw substantial expansion in the gross margin. So if you can throw some light on what was the reason? Was it entirely because of the product mix or anything else? And also, if you can guide us on what kind of growth are we looking at for FY 2027 and FY 2028? Yes, that's all.
- Hiren Doshi:** Okay. Taking to your first question, yes, as you rightly said, the major portion or rather major factor for incremental GP -- gross margin is because of the product mix only, that is well. Apart from that, there are some revenue, as I told initially also that the custom duties, what we have already received in the second quarter, third quarter from the customers that has been accounted as a part of total revenue. So, cutting out that one, my major factor of this incremental GP margin is due to product mix and even due to change of the steel from, say, overseas to domestic on certain product processes. That is the main reason.

Coming to the next part of your question, that is growth for FY 2027, FY 2028, would like to inform that for fiscal 2027, what we expect as on date is maybe a mid-teen growth, 15% to 17% growth, something like that. And again, same kind of growth would be there or maybe a bit on a higher -- a high-teen growth in the fiscal 2028.

That is on the basis of the orders, programs, what we have already won and the ramp-up, what it would be there. But I have not considered any kind of additional revenue what we have lost during this last one and a half years because of this geopolitical reasons, tariff war, etcetera. So that would be an additional to my overall revenue, whatever the addition.

As I told you initially that 30% of my U.S. business has lost in this particular fiscal of overall revenue. So, we expect at least 50% of that would be added again back to my normal practice minimum in the first half only.

And the remaining, again, it would be increasing in the second half. So, -- but again, conservatively, I would like to stick on that. We are expecting somewhere about 15%, 17% growth in fiscal '27 and obviously, high teen or even beyond that in -- for fiscal '28.

**Saurabh Jain:**

Okay. And sir, my next question is on capex over the next two to three years because, of course, we are running at lower utilizations. But in case if we want to diversify a bit because we have a cash position of INR367 crores. So, another question is on -- now we are out of financial encumbrance. So what kind of dividend policy are we looking at with not any significant capex and substantial cash on the books?

**Hiren Doshi:**

Yes. See, as you see that we had a huge amount of cash surplus. But at the same time, we have already announced this buyback, which is of INR180 crores. So that would be some kind of initiation to honoring the stakeholders and wherein particularly promoters have not taken -- not going to participate. So, that is one.

Apart from that, what you asked is for the dividend, definitely, we are in process or rather we are in the thought process to even offer further dividend, but we would like to have some kind of -- we would like to preserve some cash with the company.

As you know that ours is a capital-intensive industry. No doubt, we do have capacity -- spare capacity available, but there are certain kind of range of the products where the equipments are almost 80%, 85% capacity utilization. So, in that segment, we need to capitalize or we need to incur capex year-on-year basis. So, there would be there a minimum INR30 crores to INR40 crores bare minimum capex plus maintenance capex, etcetera, that would require for a year-on-year basis.

And as I told you, the situation, the geopolitical disturbances and there are uncertainties still prevailing into the overall global economy. So, we wouldn't like to be with some kind of conservative as far as our surpluses are concerned. So that would like to be there in the company. But again, it is not -- it doesn't mean that we are not going to distribute profit to the stakeholders.

That is again in the next agenda of our line item. First, we would like to honor this buyback and thereafter, we may think further on that.

**Saurabh Jain:** So sir, INR50 crores to -- INR50-odd crores of annual capex, is that right, for this year and next fiscal?

**Hiren Doshi:** Broadly, yes, yes.

**Saurabh Jain:** Okay. That's all from my side sir. Thank you. Wish you all the best.

**Hiren Doshi:** Thank you.

**Moderator:** Thank you. We take the next question from the line of Nishita Shanklesha from Sapphire Capital. Please go ahead.

**Nishita Shanklesha:** Hello. So, most of my questions have been answered. I just had a question on order book. If you could like quantify the order book we currently have and the order book we expect -- the order book pipeline in FY27?

**Hiren Doshi:** See, in my case, customers are giving -- broadly awarded a program for five to seven years. And then once the program starts, SOP starts, it will drill down on the forecast of three to six months kind of thing for the overseas customer. And for the domestic, it would be maybe a couple of months or something like that.

If I'll tell you, as of now, I do have a monthly order book for next three to six months, even still the first half of this fiscal -- current fiscal, on an average, INR115 crores to INR125 crores dispatches planned for this first half on a monthly basis.

**Nishita Shanklesha:** Okay. Okay. And any order book pipeline that I see in -- as you mentioned that will...

**Hiren Doshi:** Yes. Order book -- see, as I told you earlier that the certain order programs, what we won in fiscal 2026, those have just started with a volume of maybe 10%, 15%, 20% kind of thing. Now, those orders further will be ramped up to 50%, 60% of their overall peak level, and that would be ramped up in this current fiscal during these four quarters, something in there in first, second, third, fourth and onwards.

So these are the -- apart from that, we are also in process or rather in dialogues with a couple of new customers for the new program. But in our business, in our industry, the new customer evaluation and final program winning, it's a validation activity of more than 15 to 18 months. And if it is a critical component for the auto application, definitely, this time may extend more than 18 months. So with the new customers, with the new plants of our existing customers with whom we are in dialogue as of now, that would be recognized maybe down the line one and a half years or somewhere in fiscal '28.

**Nishita Shanklesha:** Okay. Okay. Understood. And just wanted to understand how has the current geopolitical situation affected our inventory days if they have affected?

**Hiren Doshi:** Inventory days a bit stretch, not significantly, but we try to manage. And in between fiscal '26, we have also reduced dispatches as our customers at U.S. are facing some kind of slowdown and they're partially shut down, something kind of thing. So, we have stopped and good amount of our consignment inventory have already been consumed.

So, we will not have a significant impact as far as the inventory days are concerned. But definitely, we do have imports also wherein the transit period has bit stretch. But I think in next three to four months, that thing also will be settled. So, there would not be any significant impact on inventory days.

**Nishita Shanklesha:** So like what is the range you expect our inventory days to be around?

**Hiren Doshi:** Sorry.

**Nishita Shanklesha:** What is the range that we expect our inventory days to be around for FY27?

**Hiren Doshi:** See, on cut-off date -- on an annual -- if you check my annual numbers, audited numbers, wherein the inventory, which is in transit has also been considered as my -- sales which is in transit is considered as my inventory because of my Incoterms with the customer. But if I'll move out that portion, I would be having somewhere about 70 to 85 days of inventory. But considering that sales in transit, it would be touching 150 or 160 days.

**Nishita Shanklesha:** Okay, okay, understood. That is it from my side. Thank you.

**Moderator:** Thank you. We take the next question from the line of Jason Soans from IDBI Capital. Please go ahead.

**Jason Soans:** First, sir, thank you so much for taking my question. Sir, my first question, just pertains I know you gave the breakup for 2026 revenue. Just wanted the breakup for the 2025 revenue, sir, in terms of segments, export bearing rings, export automotive, in those segments?

**Hiren Doshi:** Yes, kindly note it down. For fiscal 2025, the domestic bearing rings was INR329 crores; domestic auto components, INR177 crores; export bearing INR155 crores; and export auto components, INR399 crores. Scrap, it was INR78 crores; export incentives were INR16 crores,.

**Jason Soans:** Sure sir. Thanks so much for that. Now, I just wanted to know, you spoke in detail, sir, about the outlook and all. Just wanted to know how is your domestic demand outlook looking? Things have been a little weak for us this year, but now going -- there was some slowdown in the bearing segment and all that. So, just with regards to the big three in terms of the bearing manufacturers, how is the demand looking on the ground, localization and all they were speaking about capex on the ground, etcetera, in terms of India. So just wanted to know how is the domestic traction looking, sir, in terms of the demand for the bearing rings?

**Hiren Doshi:** I'm a bit more bullish on domestic bearing ring business also because if you see in fiscal '25, what we had is somewhere about INR329 crores revenue, whereas in FY26, it has gone to INR386 crores, so more than 15%, 17% growth, 18% growth in this domestic bearing ring

business only. So, we expect to remain it continue. And again, as I was mentioning that 13% or good amount of import substitute have already been started producing in domestic market. And those will be in continue.

And we expect our customers are also growing as far as their capacity, as far as their production. The numbers are quite encouraging. And we are getting good response or good reward from them also in terms of order winning.

But let me tell you, one of the domestic customer with whom maybe before one and a half years back, I was almost at 0. And today, I'm of my monthly revenue -- maybe 3.5% to 4% of my revenue, that goes to only that one bearing manufacturer.

So, again, my existing other customers like big OEMs -- sorry, big bearing manufacturers, they are -- rather I got an incremental component increase as well as the current volume of the existing products from both the way -- from almost my four customers out of six customers, only we are facing some kind of stagnancy as far as the industrial bearings or a bigger size of bearings are concerned, where entire industry is also facing such issue.

**Jason Soans:** Okay. Sure, sir. And sir, on this, you did mention that the tariff -- of course, the tariff situation last year has been pretty volatile. So, it was first half, I believe, was at 53%, then it came down to 28%. Now, sir, on the average portfolio, you said tariff was 25%. Now, considering that, we see good demand coming in from the U.S. going into FY27?

**Hiren Doshi:** Yes. As of now, my customers are just for last -- very frankly, for last four months, five months, there was not a change in any kind of duty structure, except that the Supreme Court decision, what it came out. Now the further how it would be, we don't know. But unfortunately, that Supreme Court decision do not cover this 232 Section.

So, in our product, it is 25% as of now, which my customers have also accepted. And the market has -- of their OEM also accepted that one. And the 25% on my component may not be a substantial on the overall assembly, what my customer is selling to their OEMs. So, I think my customer and OEMs are well-prepared with this 25% base.

And for last two and a half months, again, it came on track. And further -- whatever the loss we had in the previous fiscal, we expect that it would be -- come on the -- back on the track on a monthly revenue what we had prior to that.

**Jason Soans:** Okay. So, customers have accepted this 25% and now you think things should improve from here on, right?

**Hiren Doshi:** Yes, yes.

**Jason Soans:** Okay. Sure sir. And sir, I mean, you have mentioned in the presentation also that there's a customs duty due to which the other expenses have gone up. Now, what I understand is, would that mean that whether it was 53%, you paid a lot more and there is some reimbursement supposed to come? How much -- because I'm a little unclear on how that other expenses--

**Hiren Doshi:** Exactly. You rightly understand that. And for in between portion, I have paid 53 percentage of customs duty and whereas my customers are going to reimburse me 25%, which are yet to be recognized. And even post decision of the Supreme Court, I'm supposed to get some kind of refund from the U.S. government. And out of that refund, partially, we are supposed to pay back to my customer also.

So whatever I'm supposed to pay back to my customer, that I have already recognized in my expense. And conservatively, I have not recognized the revenue, what I'm -- or rather the inflow, what I'm expecting in this quarter, maybe by September 2026. So, that would be added back straight to my revenue as and when I receive.

**Jason Soans:** Okay. Sure sir. Sir, but just one thing, I mean, when -- before October, I believe it is 53% or something like that. So, I mean, you must have booked the revenue as well as the customs duty as well, why there is a lag? Why would...?

**Hiren Doshi:** No, it's not directly one-to-one kind of thing. There is a consignment arrangement with my customer. So, the duty applicability for me, it is as and when the goods are cleared for -- at U.S. Customs. But for my customer as and when they lift the material from the warehouse, they are going to pay back me accordingly as per the credit terms. So, there is a time lag between that.

**Jason Soans:** Okay. Okay. So, you're saying some of the goods still have to be lifted by the customer. And when they lift it, the revenue will come into your top line and the excess, let's say, 53% you have paid -- so whatever differential that also will come through? Is it like a retrospective? Yes.

**Hiren Doshi:** Exactly.

**Jason Soans:** Yes. Okay.

**Hiren Doshi:** So that is what yet to be recognized. And whatever the -- even the consignment, which is there at my warehouse or rather nominated warehouse at U.S., those are entirely duty paid, and that has been already recognized.

**Jason Soans:** Thank you, sir. Thank you for that. And sir, also one question I had is, sir, Europe also was pretty weak in the initial part of the year when you go back 12 months. And now Europe seems to have improved quite a bit. You were talking about good outlook. Anything -- macro economically also Europe was pretty weak. So, even peers are saying that Europe is seeing good demand improvement. Anything which has changed on the ground materially in terms of policies or something which is bringing back growth in Europe?

**Hiren Doshi:** See, definitely, there are certain kind of stimulus, some kind of boosting to just revive the European economy. And the industries or the consumption, the production, which was almost zero at Europe level, and the -- even as of now, they are facing some kind of inflationary for this conversion cost, power cost and other remaining labor issues, etcetera. But the demand -- end-use demand retaining that is being started off. And that is why the reason the orders or rather the quantum which has reduced in fiscal 2024-2025, that has come up again.

And for me, the good part is that we got new orders from my customers as well as for the new plants which was completely zero to me. But even as of now, they are at, say, 30%, 40% of their production, but it is 100% growth to me when they add back this 30%, 40% to me.

So, the first half maybe till July '25, we had initially just started some kind of initial dispatches and then the ramp-up has started. Though it has not significantly ramped up in current fiscal, that is a fiscal 2026. Particularly in the last quarter of fiscal '26, that is Q4, we had a good thing from the Europe, and that will remain continue and to be increased in fiscal '27.

**Jason Soans:**

Sure. That's good sir. And sir, one -- you had given an update on the INR1.75 billion of order inflows, which we're expecting. Of course, I know that this year has been very, very volatile with tariffs and all. But sir, most of that -- those orders that pipeline which you had mentioned that was in Q3 FY25, is that on track? Or how is that? I just wanted an update on those order inflows which you had mentioned?

**Hiren Doshi:**

See, let me tell you, the order book of this INR1.75 billion what you were mentioning, we told it that somewhere in December 2024 that we are expecting this kind of revenue on the basis of the order book in fiscal '26, right? But let me tell you, out of that, the -- partially, it was from U.S. and partially from Europe, wherein Europe has turned around with the certain positivity, but we got a hit in U.S. business.

Out of that INR175 crores, maybe INR75 crores, INR80-odd crores business, something we were able to add into my fiscal '26 business, but remaining not. But of that program, a couple of programs are still on hold at U.S. I'm not considering that thing in my fiscal '27 estimation. But beyond that, all the orders are on track. And apart from these INR1.75 billion overall business, we got new orders from European customers, which further would be added.

So, partially, it was started. Few orders are still on hold, but the remaining would be added in fiscal 2027, along with the new orders what we win from European side. So in this current fiscal, that is fiscal 2027, I expect, again, on the basis of the order and all this pre-fiscal --previous fiscal order pendency, etcetera, all put together, again, INR160 crores, INR165 crores revenue would be added apart from my existing business.

**Jason Soans:**

And sir, just one thing, just on the tariff thing again, just some clarification just one thing. Now, again, 21st October before it was 53%, now, it is 25%. So, just wanted to understand if it's 53% when the tariff has been reduced to 25%, are we getting that extra money back also? As in what I meant to say is that extra 28% what you paid, is it going to come back? Or is that gone? And now it's 25% from now on? Just wanted some clarification on that.

**Hiren Doshi:**

See, as per the Supreme Court judgment, till November, my product was not there in the list of 232 Section. So, whatever the duty I have paid during that point till that point of time, it would be refunded, additional duty, which has implied because of IEEPA, right, that will be refunded. But beyond that, say, from November 2025 onwards, whatever the duty I have paid, which is 25%. Of that, I am not going to get back because that is under 232 Section.

- Jason Soans:** Okay. Okay. So, before October, that what you paid, 28% roughly that you will get refunded, which should be a good amount. So, that is a very positive point.
- Hiren Doshi:** It is not there for the entire till October 31st, I will get -- I was paying 28% or rather 53%. There were a portion of prior to that, it was 28%. There was a portion prior to that, it was 13%, Right. So, it starts from that thing. And this 13%, 28% and 53%, there is a basic -- the duty, which was already there, 2.97% prior to this IEEPA tariff for this thing. So, that would not be refunded. So, it is a question of 10% -- additional 10%, additional 25%, and additional 50%.
- Out of that, whatever I have paid till 31st of October under IEEPA tariff, that would be -- I'm expecting refund on that amount, not beyond that. Again, there are certain litigities as far as the online refund and all these things that we are trying to cope in. And to the best possible of these things, we are going to get back, and that would be straight away added to my revenue.
- Jason Soans:** Sure sir. Sure. And just finally, sir, one question I wanted to ask. On the EV side, even domestically and export side also, are you seeing some good traction? Because now finally, I see EV, we're seeing good traction in the domestic market also. So, just wanted to know in terms of bearing rings or automotive components, are you seeing good traction on the EV side?
- Hiren Doshi:** See, we are not facing or we do not see much of the traction as far as the EV market in overseas countries. Still now, even when we are talking with our customers for the new programs or for the new business, they are still on the -- more concentrated on this ICE and the hybrid kind of vehicles or other transmissions. So, -- it is true that some portion in India, the domestic market, it has bit increased. But if you see overall, the other ICE market has also increased. We do not see much of the traction because of EV.
- And again, we are well prepared if we -- even if the significant penetration would be there, which is as of now for next five to seven years, we do not foresee. But even after that, if it is so, we are able to produce the components required for the EVs in terms of gears, transmission parts, or maybe bearings also required in those EVs. So that would not be much of the issue.
- Jason Soans:** Sure. And this, sir, RoR element is absolutely finished, right? Now, there is no more -- anything coming up on that side?
- Hiren Doshi:** Yes, yes.
- Jason Soans:** Sure. Thanks for answering our questions. Thank you so much.
- Hiren Doshi:** Okay.
- Moderator:** Thank you. We take the next question from the line of Khush Nahar from Electrum PMS. Please go ahead.
- Khush Nahar:** Yes, hi sir. Thank you for the opportunity. So, a couple of questions. So, first being that like you elaborated that the gross margins had expanded for this quarter because of the product mix. So,

I just wanted to understand how sustainable are these margins? And excluding the other income, where do we see our EBITDA margins on a normalized basis in the next two, three years?

And secondly, sir, do we have any plans to enter into warm forging or cold forging where the products are near net shapes and less machining is required and the end use can be in a more precise industry in terms of engineering?

And sir, lastly, like you mentioned that there are some OEMs which have shifted their manufacturing and import substitute is happening. So, directionally, since we are the largest players in terms of installed capacity in India, do we see this market share of 30% increasing to maybe 50%, 70% because of capacity that in line, are we doing the capex accordingly?

**Hiren Doshi:**

Okay. So, from the bouquet of your questions, let me take the part. One is for this incremental GP and the -- what would be generalized gross margin in a normal case. See, as of now, let me tell you, in my kind of business or in my business, particularly, you may expect overall gross margin to the extent of in the range of 49 to 53 percentage kind of thing that would be there.

Again, product mix and because -- as I do have a good amount of our versatile range of the products, so there is a different kind of imports in different kind of steels required domestic, overseas and with the different composition. So that cost matters. But generally, it ranges in between 49 to 53 percentage kind of gross margin.

Then I think you have also asked for the EBITDA, net operating EBITDA that is other -- apart from the other income. As you must have seen that generally, we have this operating EBITDA in the range of 19.5% to 21% kind of thing. I expect on a conservative way, operating EBITDA would not be less than 20.5%, 21% kind of thing. And with the incremental growth, further it may improve because maybe I'll be getting the benefit of scale of economy and fixed cost absorption. I think those were the couple of this thing.

And the next one, what you have asked is about warm forging and cold forging kind of thing. Let me tell you, we are 100% there in the hot forging route as of now. And we are producing a major chunk -- or more than 85% of my overall business or products are machined one. And those are also near net shape kind of thing. So we are already there into that.

And cold forging, again, it is some entirely a diversification kind of thing, and it requires a different kind of entire setup. So, down the line, as of now, it is not that aggression that we are going to have a cold forging business, but it is there in our mind. But once we would like to utilize or get the maximum benefit of this hot forging for which we have already settled good amount of equipment and entire facilities. That is there.

And the other portion, I think what you have asked is for the import substitute kind of thing in the domestic business. Let me tell you the way it was expected, definitely, it is not that encouraging that import business is straight away coming back to India. But partially, it has increased. And still, it is on the coming way.

My customers are diversifying or rather increasing their capacity to produce a bigger size of products or to considering them as an import substitute and settling the facilities. But because of all these geopolitical disturbances also, that also gets some kind of disruption.

But the things have started -- and we are also going -- benefited with that and partial business or some kind of new range of those products, it has already been started with us, may not be significant as of now, but down the line, it would definitely increase.

Coming to other part of your question that currently it is 30% of my bearing ring business -- rather in domestic share, which may go up to 50%, 60%, 70%. See, 50%, 60%, 70%, definitely, it's a big time or a big journey, maybe in not one and a half, two years, I'll be having 50% stake in the domestic market. But definitely, I expect 10% to 15% jump on my domestic bearing ring business on a year-on-year basis. So that will definitely increase my share into the domestic business. I hope I have considered or rather I have taken all of your questions.

**Khush Nahar:** Thanks sir. Thank you for the detailed answer. Sir, just lastly, so since we have 30% market share, who would be our next serious competitor?

**Hiren Doshi:** I don't want to name any serious competitor. First of all, I am very much concentrated on my business, my facility because the kind of my setup and the facility what we have, maybe down the line, the other people having hardly 20% of that or even something like that. The kind of the different -- more than -- 26 kind of different forging lines, more than 625 CNC spindles under one setup with these kind of value-added processes, definitely, nobody is there.

But my -- I cannot say even my peer or rather the other players who are there into this kind of business or within the certain range of the products, what I am producing as of now. So, they are there. But -- in fact, or rather, they are more than what you said, not more than 10% to 15%, 20% of my overall capabilities.

**Khush Nahar:** All right sir. Thank you.

**Moderator:** Thank you. We take the next question from the line of Radha from Motilal Oswal Financial Services Limited. Please go ahead.

**Radha:** Hello sir. Thank you for the opportunity and congratulations on the settlement of the long-pending restructuring case. Sir, I wanted to understand in Europe, is the demand recovery only in the commercial vehicle space or also in the passenger vehicle space? And what kind of industry growth do you expect in FY27?

**Hiren Doshi:** In Europe, I think major chunk what we got growth is from the passenger vehicle as well as the light commercial vehicles growth. And the portion of that growth is, you can say, 70%, it is there from this segment and maybe balance 25%, 30% is from the industrial segment or something in that. And we expect that this industry growth, definitely automotive growth would be on a higher side compared to industrial growth.

But in domestic and in Europe, we expect that industrial applications for the bearing ring business, that is the high time to grow now -- as of now, maybe unless and until the disruptions, geopolitical factors may be settled down in before end of -- rather first half or maybe in the next couple of months, I think there would be a good significant improvement what we are envisaging.

**Radha:** What is driving this growth, sir? Is it inventory restocking that is happening over there?

**Hiren Doshi:** No. For Europe, it is not inventory -- the consumption of inventory or inventory clearance of inventory pile up because as such, as I told you that for me, these are the new customers or new plants. So, obviously, there would not be a question of any kind of inventory pile up. But Europe, again, it was very low for the last one and a half years, and there is no inventory pileup issue over there. So, it is a growth in their production in their actual ramp-up.

**Radha:** Understood, sir. Secondly, sir, out of the 30% revenue loss in U.S., how much revenue loss can be attributed to that one customer which had shut down the plant due to the tariff.

**Hiren Doshi:** Major chunk of that, you can say 75% of that is because of that duty tariff of 53 percentage.

**Radha:** Yes sir. Sir you had given a comment that this entire 30% revenue loss is recoverable. So, if 75% of the revenue loss is attributable to the shutdown of plant by a customer, then how is the - - how was this portion of the revenue?

**Hiren Doshi:** I told you that, that was a temporary shutdown. And for last four months, again, it came on the track. And for last couple of months, I was -- I have already started dispatching the level what we had prior to this slowdown. It is not that they have cut down my -- the products have been shifted, they canceled my order. It is a simply reduction of particular business.

Though they have been asking all the components what I'm supplying to them, but in a reduced quantum prior to this three, four months back. But from February 2026 onwards, it again came back on the track. And the volume, what I have lost or the 30%, something like that, partially, it has already been started in a recovery mode.

**Radha:** Understood, sir. Sir, lastly, if you see the last five years revenue -- overall revenue for the company, the growth seems to be constrained as you are present in three key geographies, and there is rarely a time when the demand of all three geographies remain strong.

So, going forward, what are the key growth drivers that we can expect from the company -- in order to address these demand and cyclical challenges that we have across geographies, are there any plans for new product introductions or new customers, any market share gains, anything that you can highlight, sir?

**Hiren Doshi:** See, madam, that is a continuous process over here. Let me tell you, in last three and a half years, though my revenue is continuously maybe on the same kind of level. But in last three years, we have developed many components for the heavy -- medium and heavy-duty vehicles for EV, for

hybrid and for an industrial customer. So, many products have been -- and because of that, only we got new orders in the previous fiscal.

Let me tell you, prior to this new orders from Europe, we do not have -- we didn't have much of the presence of in auto segments in European business. Now, it would be there, a combination of -- though the bearing rings segment in Europe is a bit down because of industrial this thing. But again, now I do have a good presence in this auto components. So the growth in the business in Europe compared to previous fiscal is 25% in this fiscal 2026. That is mainly from the auto side of business. So there is a development in that segment.

In U.S., we have also -- we didn't have much of the growth because of this duty tariff and all this thing. But again, we are in dialogues with the customer wherein the couple of bearing ring companies into industrial bearings, they are in process of appraising thing.

But again, they are just deferring this because of this duty matter, etcetera. Coming to the domestic, if you see my numbers for last three years on a bearing ring business, I'm getting incremental business into the bearing rings. Even I'm getting incremental business in the auto segments also. I was not supplying indirectly to the OEMs based in domestic market for the automobiles. But now through my couple of suppliers, I have already started a good amount of business to these car manufacturers.

**Radha:** Understood sir. Those were my questions. Thanks and all the best to the team.

**Moderator:** Thank you. Ladies and gentlemen, due to time constraint, we take one last question from the line of Pratik Banthia from Fermi325 Investment Advisers. Please go ahead.

**Pratik Banthia:** Yes, hi. Congratulations on a stable set of numbers in a challenging environment. I just had two questions. One was in how -- in what percentage of factories are we present with our top 5 customers? And what kind of share of business do we have with them? And the other question is, as we have created a deep capability in bearing rings, what other auto component segment do you think a similar capability can be built by us?

**Hiren Doshi:** See, the first part is the first five customers. I think you asked the contribution from first five customers. I would like to tell not of five customers. I would like to say a five customer groups. When I see one customer, they are having certain plants in U.S. and Europe and domestic. So I am supplying to all these different plants.

And for me, each plant is a different customer. When I say a top five groups, you can say almost 65%, 70% of my business is from these top five groups, which may drill it down to somewhere about more than 15 plants or 15 different customers.

**Pratik Banthia:** And what share of business do we have with them?

**Hiren Doshi:** On an average, with this -- let me tell you, with the bearing manufacturers, I think we are at 45%, 50% of their wallet share, the major three players. And in auto components with certain players, we are at 35% to 40% of their wallet share.

- Pratik Banthia:** Okay. And the second question was like we have built deep capabilities on the bearing ring side. What other auto component segments do you think?
- Hiren Doshi:** See I do have -- we do have capabilities to produce hot forged auto components, which we are. Let me tell you today, we are producing more than 150 kind of different auto components consisting of rough gear blanks, pinion, crown, crown and pinion, then sun ring, then gear rings, then bush, then shafts. So, these are the things what we are very much capable to produce.
- But we do have expertise or rather you can say a bit of more competence in producing transmission parts, chassis part, and a few of the steering components. And there, we have a good amount of opportunities.
- Pratik Banthia:** Okay. And one last question.
- Hiren Doshi:** We are able to produce the components required for the EV and hybrid both. So, that also can be produced from our capabilities.
- Pratik Banthia:** Okay. And one last question was going ahead, what percentage of capex would be -- what the capex split between, let's say, machining and forging.
- Hiren Doshi:** See, machining, it depends on the kind of the new business what I have been awarded. Forging is in the range of the business, what are the range of the products, what I would like to address. So you can say 70% -- 75% of out of INR100, it is towards forging kind of setup and maybe INR25, INR30 is required for machining and other capabilities.
- Pratik Banthia:** Okay. And any inorganic opportunities are we looking at since you have some cash on the balance sheet?
- Hiren Doshi:** We are exploring that couple of things. But again, it is on a primary stage. But we want to jump in into that thing as the things that overseas in U.S. and Europe are not much encouraging or rather they are still under having in distance portion. So, we are just exploring it, but we are on a very preliminary stage. But we are very much open and we are in finding the proper opportunity also.
- Pratik Banthia:** Any specific segment you're looking at?
- Hiren Doshi:** No. Segment would be broadly extended to our products or rather our capabilities or maybe in the line of this thing on hot forging or extended value-added processes.
- Pratik Banthia:** Okay. Thank you. That's it from me side and all the best.
- Hiren Doshi:** Thank you.
- Moderator:** Thank you. Ladies and gentlemen, with that, we conclude the question-and-answer session. I now hand the conference over to the management for their closing comments.



*Rolex Rings Limited*  
*May 18, 2026*

**Hiren Doshi:** Well, on behalf of Rolex Rings, I would like to thank you, everyone, for joining us. I hope I have been able to answer all your queries. We look forward to such interactions in the future. We hope to meet your expectations in the future too.

In case you require any further details or this thing, you may contact directly to the company, to me and/or our Advisors, SGA, that is Strategic Growth Advisors, our Investor Relations partner. So, once again, I thank you all the participants for sparing your valuable time for considering our earnings call. Thank you very much.

**Moderator:** Thank you. On behalf of Rolex Rings Limited, that concludes this conference call. Thank you for joining us. You may now disconnect your lines.